ROUTING AND TRANSMITTAL CLID

Declassified in Part - Sanitized Copy Approved for Release 2012/02/02 : CIA-RDP88G01332R000901020023-5 RIAT

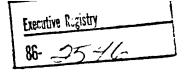
ROUTING SLIP

ROU TO: (Name, office symbol, room number, building, Agency/Post) 0, ZOU EXO/DDA ACTION INFO DATE INITIAL TO: 1 DCI ADDA 2 DDCI 1 JUN 1986 DDA 3 EXDIR 4 D/ICS χ 5 DDI Χ 6 DDA 7 DDO Χ Action File Note and Return 8 DDS&T χ For Clearance Per Conversation Approval 9 Chm/NIC For Correction Prepare Reply As Requested 10 GC See Me For Your Information Circulate Investigate Signature 11 IG Comment 12 Compt Coordination REMARKS 13 D/OLL 14 D/PAO 15 D/PERS 16 VC/NIC **STAT** ES 17 18 19 20 21 SUSPENSE Date Remarks STAT DO NOT use this form as a RECORD of approvals, concurrences, disposals, elegrances, and similar actions Room No.-Bldg. FROM: (Name, org. symbol, Agency/Post) Executive Secretary Phone No. 9 June 1986 OPTIONAL FORM 41 (Rev. 7-76) Prescribed by GSA FPMR (41 CFR) 101-11.206 9041-102 3637 (10-81) # CHO : 1981 0 - 361-529 (148)

Declassified in Part - Sanitized Copy Approved for Release 2012/02/02 : CIA-RDP88G01332R000901020023-5

## The Director of Central Intelligence

Washington, D.C. 20505



9 June 1986



The Honorable Ted Stevens, Chairman Subcommittee on Defense Committee on Appropriations United States Senate Washington, D. C. 20510

Dear Mr. Chairman:

| The Intelligence Community is at a critical juncture, and I solicit your support in obtaining the intelligence capabilities necessary to support informed foreign policy and defense decisions. I am not unaware of the fiscal pressures facing the nation and I do not envy Congress' budgetary task. I am compelled, however, to state that we cannot again sustain the types of reductions experienced last year for the current FY 1987 NFIP budget and still maintain a viable intelligence posture. |
|---|
| In FY 1986, the Intelligence Community's budget was reduced substantially as a result of direct Congressional action, apportionment of the Community's share of the Department of Defense's unallocated reductions, and Gramm/Rudman/Hollings.  |
| These reductions were absorbed in the most part by stretching out projects and by delaying the initiation of others until FY 1987. By careful management, we were able to minimize actual near-term loss of capability in spite of unforeseen developments such as the Shuttle Challenger catastrophe. However, this strategy was developed under the assumption that the Intelligence Community's budget would return to the programmed level in FY 1987.  |
| Because we already have postponed needed improvements to comply with the FY 1986 Gramm/Rudman/Hollings and unallocated reductions, in the event of a significant FY 1987 cut, we will have to give strong consideration to major surgery including the cancellation of large projects or initiatives. However we ultimately apply the cut, it necessarily will impact heavily on intelligence capabilities in support of policy worldwide.  |

STAT

STAT

STAT

**STAT** 

The plain and inescapable fact is that the cost of national security is not something which the U.S. can control irrespective of the plans and actions of its known and potential adversaries. None of us wants to spend to excess, and none of us wants to see our country, either now or at any time in the future, placed at the mercy of an outside power. Striking a balance is what our democratic political process is all about. A key job of intelligence is to reduce the uncertainties surrounding that process to levels acceptable to prudent men of good conscience. With more facts and less conjecture as to the threats we face, the quest for consensus becomes immeasurably easier. Cutting back on foreign intelligence would widen the differing perceptions of the external threat and stimulate divisiveness at a time when just the opposite is becoming a clear national need. Whether one is of the view that the U.S. is spending too much or too little for national defense, I would hope that we not allow ourselves to lapse into ignorance as to the nature and scope of the external challenges.

We cannot maintain our current posture and keep up with the challenges of our changing world without your support. In many instances, we already are behind advances made by our potential adversaries and others contemplating or planning actions inimical to our national security. I am fearful that an unfocused major reduction in intelligence programs designed to guide or influence the application of our limited economic, political, and military resources will contribute to an erosion to the security of our nation.

Sincerely,

Villiam J. Casey

STAT

STAT

| SUBJECT: Ltr to Hon. Ted Stevens,   | SSCI    |
|---|---------|
| ICS/PBS: 5  | May 86) |
| Distribution: DCI/ICS Orig Hon. Ted Stevens, SAC 1 - ER (for DCI & DDCI) 1 - D/ICS 1 - ICS/LL 1 - PBS Subject (SAC File) 1 - PBS Chrono |         |

1 - ICS Registry

STAT

STAT